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DA 10-1599

Released: August 24, 2010

DOMESTIC SECTION 214 APPLICATION FILED FOR THE TRANSFER OF CONTROL OF PUBLIC COMMUNICATIONS SERVICES, INC. TO GLOBAL TEL*LINK CORPORATION

STREAMLINED PLEADING CYCLE ESTABLISHED

WC Docket No. 10-165

Comments Due: September 7, 2010

Reply Comments Due: September 14, 2010

On August 10, 2010, Public Communications Services, Inc. (PCS) and Global Tel*Link Corporation (GTL) (collectively, Applicants) filed an application pursuant to section 63.03 of the Commission's rules to transfer control of PCS to GTL.¹

PCS, a California corporation, is authorized to provide inmate calling services to correctional facilities in all states except Alaska, Connecticut, and the District of Columbia, and currently provides such services in 30 states. GTL, a Delaware corporation, is authorized to provide telecommunications services, including inmate calling services, in the District of Columbia and all states except Alaska. GTL is wholly owned by GTEL Holdings, Inc., which is owned by GTEL Acquisition Corp. GTEL Acquisition Corp. is wholly owned by GTEL Holding, LLC. Applicants state that the following entities directly own or control 10 percent of the equity of GTEL Holding, LLC: The Veritas Capital Fund III, L.P. (44 percent) and GS Direct, L.L.C. (16 percent). The Veritas Capital Fund III, L.P.'s sole general partner is Veritas Capital Partners III, L.L.C., which is managed by Robert B. McKeon, a U.S citizen. Credit Suisse Private Equity, Inc. owns an approximate 14 percent indirect interest in GTEL Holding, LLC via its interest in The Veritas Capital Fund III, L.P.' The Goldman Sachs Group, Inc. owns 100 percent of the equity interest in GS Direct, L.L.C., including the right to replace Goldman Sachs & Co., the sole manager of GS Direct, L.L.C, and has an indirect 16 percent interest in GTEL Holding, LLC. All

¹ 47 C.F.R § 63.03; see 47 U.S.C. § 214. Applicants are also filing applications for transfer of control associated with authorization for international services. Any action on this domestic section 214 application is without

with authorization for international services. Any action on this domestic section 214 application is without prejudice to Commission action on other related, pending applications. Applicants filed a supplement to their domestic section 214 application on August 23, 2010.

² Applicants state that RDV Corporation is the general partner of RDV Capital Management L.P (RDVCM) and the manager of Ver-Cap III Investors, LLC. RDVCM and Ver-Cap III Investors, LLC indirectly own an aggregate 2.95 percent interest in GTEL Holding, LLC via their interests in The Veritas Capital Fund III, L.P. RDV Corporation manages 804 Investors LLC and GT Group Investors, LLC that have 6.42 percent and 3.14 percent interests, respectively, in GTEL Holding LLC. RDV Corporation is owned by members of the DeVos family, who are all U.S. citizens.

entities are U.S.-based, and Applicants state that no other person or entity will own a 10 percent or greater interest in GTL.³

Pursuant to the terms of the proposed transaction, PCS shareholders will transfer all of their shares of PCS to GTL, and PCS will become a wholly owned subsidiary of GTL. GTL will also transfer all or substantially all of its assets, including customers and customer contracts, to GTL. Applicants assert that the proposed transaction is entitled to presumptive streamlined treatment under section 63.03(b)(2)(i) of the Commission's rules and that a grant of the application will serve the public interest, convenience, and necessity.⁴

Domestic Section 214 Application Filed for the Transfer of Control of Public Communications Services, Inc. to Global Tel*Link Corporation, WC Docket No. 10-165 (filed Aug. 10, 2010).

GENERAL INFORMATION

The Wireline Competition Bureau finds, upon initial review, that the transfer of control identified herein is acceptable for filing as a streamlined application. The Commission reserves the right to return any transfer of control application if, upon further examination, it is determined to be defective and not in conformance with the Commission's rules and policies. Pursuant to section 63.03(a) of the Commission's rules, 47 C.F.R. § 63.03(a), interested parties may file comments on or before September 7, 2010, and reply comments on or before September 14, 2010. Unless otherwise notified by the Commission, the Applicants may transfer control on the 31st day after the date of this notice. Comments must be filed electronically using (1) the Commission's Electronic Comment Filing System (ECFS) or (2) the Federal Government's e-Rulemaking Portal. See 47 C.F.R. § 63.03(a) ("All comments on streamlined applications shall be filed electronically"); Electronic Filing of Documents in Rulemaking Proceedings, 63 FR 24121 (1998).

- Comments may be filed electronically using the Internet by accessing the ECFS, http://www.fcc.gov/cgb/ecfs/, or the Federal e-Rulemaking Portal, http://www.regulations.gov. Filers should follow the instructions provided on the website for submitting comments.
- For ECFS filers, if multiple docket or rulemaking numbers appear in the caption of this proceeding, filers must transmit one electronic copy of the comments for each docket or rulemaking number referenced in the caption. In completing the transmittal screen, filers should include their full name, U.S. Postal Service mailing address, and the applicable docket or rulemaking number. Parties may also submit an electronic comment by Internet e-mail. To get filing instructions, filers should send an e-mail to ecfs@fcc.gov and include the following words in the body of the message, "get form." A sample form and directions will be sent in response.

In addition, e-mail one copy of each pleading to each of the following:

1) The Commission's duplicating contractor, Best Copy and Printing, Inc., fcc@bcpiweb.com; phone: (202) 488-5300; fax: (202) 488-5563;

³ Applicants state that GTEL Holding, LLC is affiliated with several wireless and competitive wireline carriers in which the Goldman Sachs entities have ownership interests. GTL's subsidiary, DSI-ITI, LLC, is certificated to offer inmate calling services in multiple states.

⁴ 47 C.F.R. § 63.03(b)(2)(i).

⁵ Such authorization is conditioned upon receipt of any other necessary approvals from the Commission in connection with the proposed transaction.

- 2) Tracey Wilson-Parker, Competition Policy Division, Wireline Competition Bureau, tracey.wilson-parker@fcc.gov;
- 3) Jodie May, Competition Policy Division, Wireline Competition Bureau, jodie.may@fcc.gov;
- 4) David Krech, Policy Division, International Bureau, david.krech@fcc.gov; and
- 5) Jim Bird, Office of General Counsel, jim.bird@fcc.gov.

Filings and comments are available for public inspection and copying during regular business hours at the FCC Reference Information Center, Portals II, 445 12th Street, S.W., Room CY-A257, Washington, D.C. 20554. They may also be purchased from the Commission's duplicating contractor, Best Copy and Printing, Inc., Portals II, 445 12th Street, S.W., Room CY-B402, Washington, D.C. 20554; telephone: (202) 488-5300; fax: (202) 488-5563; e-mail: fcc@bcpiweb.com; url: www.bcpiweb.com.

People with Disabilities: To request materials in accessible formats for people with disabilities (braille, large print, electronic files, audio format), send an e-mail to fcc504@fcc.gov or call the Consumer & Governmental Affairs Bureau at (202) 418-0530 (voice), (202) 418-0432 (tty).

For further information, please contact Tracey Wilson-Parker at (202) 418-1394 or Jodie May at (202) 418-0913.